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February 21, 2017

Robert deV. Frierson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

Re: Docket No. OP -1557, Proposed Guidelines for Evaluating Joint Account Requests

Dear Mr. deV. Frierson:

The Independent Community Bankers of America¹ (ICBA) appreciates the opportunity to comment on the Federal Reserve System's ("FRS") Proposed Guidelines for Evaluating Joint Account Requests ("guidelines").

The proposed guidelines would ensure a safe, effective, efficient process for parties to adhere to when requesting Federal Reserve Joint Accounts. Joint accounts are maintained for the benefit of multiple depository institution account holders and helps in supporting the immediate clearing and settlement of payment systems among U.S. financial institutions

While ICBA supports the six-pronged approach to ensuring an institution's eligibility, we underscore the criticality of the FRS maintaining and adhering to these guidelines. Of utmost importance is the first guideline which states, "Each joint account holder must meet all applicable legal requirements to have a Federal Reserve account, and the Reserve Bank will not have any obligation to any non-account holder with respect to the funds in the account." This limits the account to insured

¹ The Independent Community Bankers of America®, the nation's voice for nearly 6,000 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services.

With over 50,000 locations nationwide, community banks employ 700,000 Americans, hold \$4.0 trillion in assets, \$3.2 trillion in deposits, and \$2.7 trillion in loans to consumers, small businesses, and the agricultural community. For more information, visit ICBA's website at www.icba.org

financial institutions and would preclude non-bank companies from direct access to joint accounts at the Federal Reserve.

The importance of the first guideline is underscored by the fifth guideline which states, "Provision of a joint account must not create undue risk to the overall payment system." Companies that operate outside of federal deposit insurance, and banking regulation and oversight could pose significant risk to the payment system if provided direct access.

ICBA applauds efforts that both improve payments systems and ensure the safety and integrity of those systems. As such, ICBA supports the FRS's proposed guidelines so long as joint accounts are beneficial to and open to all eligible Federal Reserve account holders, particularly, community banks.

ICBA appreciates the opportunity to provide feedback on these proposed guidelines. If you have any questions or would like additional information, please contact Rhonda Thomas-Whitley (Rhonda.Thomas-whitley@icba.org) or Cary Whaley (Cary.Whaley@icba.org) at 202-659-8111.

Sincerely,

/s/

Rhonda Thomas-Whitley
Assistant Vice President & Regulatory Counsel